external commercial borrowings. The Government has announced a fiscal package which includes additional plan expenditures, reduction in the ad valorem Cenvat rate and measures to support exports. These measures have ensured the effective functioning of the financial system and improvement in liquidity in the money market.

Status of State Maritime Boards

1617. SHRI NATUJI HALAJI THAKOR :
SHRI KANJIBHAI PATEL :
Will the PRIME MINISTER be pleased to state:

(a) whether the status of State Maritime Boards has been excluded from the definition of local authority under the Finance Act, 2003;

(b) if so, the reason therefor;

(c) whether some of the States have made representations to Government for waiving of Income Tax from the State Maritime Boards?

(d) if so, the reaction of Government thereto; and

(e) whether Government would consider the State Maritime Boards as "Local Authority" since it is a public utility organization and has no motive to earn profit?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Vide Finance Act, 2002, definition of "local authority" under clause (20) of section 10 was made restrictive so as to include Panchayats, Municipalities, Municipal Committee and District Boards and Cantonment Boards only. This amendment was made effective from 1st April, 2003. Entities like State Maritime Boards thus went outside the scope of exemption available under that section.

(b) The above amendment was based on the recommendation of Advisory Group on Tax Policy and Tax Administration for the Tenth Plan which had suggested deletion of exemption provided under section 10(20) of the Income-tax Act. The restrictive definition was adopted considering the need to phase out exemptions consistent with a moderate tax regime. However, exemption in the case of Panchayats, Municipalities, Municipal Committee etc. was retained as they are local self-government institutions.

(c) Yes, Sir.

(d) The request was examined and not found feasible.

(e) The restrictive definition of the term 'local authority' was adopted considering the need to phase out exemptions while moving towards a moderate tax regime. Policy imperatives currently being the same, revival of exemption to State Maritime Boards is not under consideration.

Budgetary allocation for development schemes

1618. SHRI MOINUL HASSAN: Will the PRIME MINISTER be pleased to state:

(a) the per capita budgetary allocation in 2003-04 and 2008-09 on Sarva Shiksha Abhiyan, Mid-day Meal Scheme, Integrated Child Development Scheme and Rural Employment Schemes each separately; and

(b) the actual increase made in budget allocation on the schemes considering the effect of price rise and the value of money in real term and above all increase in population in five years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) The budget allocations are not done on per capita basis. However, the per capita budgetary allocations as derived from the budgetary allocations in 2003-04 and 2008-09 on Sarva Shiksha Abhiyan, Mid-day Meal Scheme, Integrated Child Development Scheme and Rural Employment Schemes based on population figures of Central Statistical Organisation (CSO) for the year 2003-04 and population projections of Registrar General of India for 2008 and the percentage increase in 2008-09 over 2003-04 in real terms is calculated as follows:

Name of the Scheme	2003-2004		2008-2009		Percentage
	B E (Rs. crore)	Per Capita allocations	B E (Rs. crore)	Per Capita allocations	increase in 2008-09 over 2003-04 in real terms
(i) Sarva Shiksha Abhiyan	1951	18.20	13100	114.11	427.28
(ii) Mid-day-Meal	1175	10.96	8000	69.69	434.70
(iii) Integrated Child Development Scheme	2361	22.02	6300	54.88	109.58
(iv) Rural Employment	4986	46.51	16000	139.37	151.98

Nationalized banks in rural areas

†1619. DR. MURLI MANOHAR JOSHI:
SHRI RAM JETHMALANI:

Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that expansion of nationalized banks is more in urban areas than in rural areas of the country;

(b) if so, the details in this regard and the number of branches of nationalized banks in rural and urban areas, separately during the current year; and

(c) the Government's plan for expansion of banking system during current year and the percentage expansion thereof in rural areas?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) With the demographic shift in population from rural to urban areas and re-classification of rural and urban areas in the population census, the number of nationalised bank branches in urban areas have grown faster than in rural areas. As on 30th September, 2008, out of total 39239 bank branches of nationalized banks, 13222 are in rural areas, 8278 are in semi-urban areas, 8989 are in urban areas and 8750 are in metropolitan areas.

(c) The Annual Branch Expansion Plan is formulated by the banks themselves and submitted to the Reserve Bank of India (RBI) for authorisation under Section 23 of the Banking Regulation Act, 1949.

†Original notice of the question was received in Hindi